

# European office market map overview 2020



## Prime yields

37 locations	20	↗
	17	→
	0	↘

Prime yield equals the yield for a property of the highest quality specification in a prime location within the area. The property should be 100% let at market rent at the time, to blue-chip tenants, with a typical lease term for prime property within that market. The yield should reflect net income received by an investor, expressed as the percentage of the total capital value plus expected acquisition costs.

## Prime rents

37 locations	0	↗
	20	→
	17	↘

Prime rent represents the top open-market rent that can be achieved for an office unit (sq m.) per month. The unit itself has to be of the highest quality and be located at the best location of the local market.

## Office transaction volume

	Office transaction volume per country in EUR billion			
	HI 2019	HI 2020	% change compared to HI 2019*	HI 2018
Luxembourg	0.19	0.41	119 %	0.45
Belgium	0.83	1.78	115 %	1.06
Denmark	0.39	0.58	49 %	0.85
Baltics	0.05	0.07	40 %	0.16
Italy	1.69	2.02	19 %	0.94
Germany	11.65	13.36	15 %	11.22
Finland	0.90	0.98	9 %	0.92
Norway	1.47	1.38	-6 %	0.70
France	9.00	7.98	-11 %	8.20
Sweden	1.83	1.60	-13 %	1.42
Spain	1.63	1.31	-20 %	0.76
Netherlands	1.58	1.26	-20 %	2.69
Poland	1.60	1.06	-34 %	0.83
Ireland	1.04	0.62	-41 %	1.16
United Kingdom	9.04	4.87	-46 %	13.02
Portugal	0.23	0.06	-74 %	0.74

\* Percentage change may not be accurate, due to decimals being rounded up

Office transaction volume per country in EUR billion, HI 2020

Office transaction volume totalled to EUR 39.7 billion, only a slight decrease of -8% despite COVID-19 pandemic and thus resulting in huge uncertainty among Europe. Nevertheless, it is noticeable that countries which were strongly hit by the virus showing the sharpest declines in volumes.

Prime office yield, net %, HI 2020

Prime office rent, EUR/sq.m. per month, HI 2020

Total office stock (sq m.), HI 2020

Total volume of existing office floorspace in net sq m. of city area, excluding vicinities. Office floorspace includes completed, let and vacant office buildings/spaces.

BERLIN

2.60

39.50

19,500,000

Forecast end 2020

The upward economic trend of recent years will weaken in most European countries towards the end of the year. Nevertheless, the office markets will continue to show robust market performance.

Source: Catella Research 2020, PMA, RCA for Non Catella Locations

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